

Message Text

LIMITED OFFICIAL USE

PAGE 01 NEW DE 03720 021346 Z

44

ACTION NEA-12

INFO OCT-01 ADP-00 EB-11 COME-00 AID-20 TRSE-00 XMB-07

OPIC-12 CIAE-00 INR-10 NSAE-00 RSC-01 OMB-01 RSR-01

/076 W

----- 083135

R 021300 Z APR 73

FM AMEMBASSY NEW DELHI

TO SECSTATE WASHDC 3489

INFO AMCONSUL BOMBAY

AMCONSUL CALCUTTA

AMCONSUL MADRAS

LIMITED OFFICIAL USE NEW DELHI 3720

E. O. 11652: N/ A

TAGS: ETRA, IN

SUBJ: VISIT BY VICE PRESIDENT, ABBOTT LABORATORIES

REF: A) STATE 52234; B) NEW DELHI 3574; C) NEW DELHI 3667

1. THREE DAY VISIT B. H. SEMLET, VICE PRESIDENT FINANCE, ABBOTT LABORATORIES AND ASSOCIATES APPEARS TO HAVE PRODUCED REASONABLY SATISFACTORY RESULTS. ABBOTT LABORATORIES GROUP MET MARCH 30 WITH A QUINTETTE OF ASSORTED GOI SENIOR SECRETARIES INCLUDING K. BALACHANDARAN AND P. K. DAVE, MINISTRY OF PETROLEUM AND CHEMICALS, AND R. NIGAM, DIRECTOR FOREIGN INVESTMENT.

2. SEMLER INFORMED THE COMMERCIAL COUNSELOR THEIR SESSION WAS MARKED BY FRANK, BUT NOT RPT NOT ACRIMONIOUS DISCUSSION AND BY GOI ATTEMPTS IMPOSE DIFFICULT BUT NOT RPT NOT UNACCEPTABLE CONDITIONS. THERE WAS SOME GIVE AND TAKE BY BOTH SIDES. AS EXPECTED THE GOI SIDE WAS MUCH MORE PREPARED TO ACCEPT RATHER THAN GRANT CONCESSIONS BUT SEMLER HIS AND ASSOCIATES STOOD THEIR GROUND AFTER FALLING BACK TO PREPARED FINAL DIFENCES. SEMLER CATEGORICALLY STATED ABBOTT LABORATORIES WILL NOT RPT NOT SETTLE FOR LESS THAN 61 PERCENT EQUITY IN THE PROPOSED NEWLY EXPANDED ABBOTT LABORATORIES (INDIA) PRIVATE LTD OPERATION, GOI OFFICIALS APPARENTLY ACCEPTED THIS AS A FINAL OFFER.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 NEW DE 03720 021346 Z

3. GOI OFFICIALS COULD NOT RPT NOT GIVE FINAL APPROVAL AT THIS STAGE SINCE THE CONSENT OF MANY GOI MINISTRIES WILL HAVE TO BE SECURED. THEY DID AGREE, HOWEVER, TO SERIOUSLY CONSIDER THE ABBOTT LABORATORY PROPOSALS AND PROMISED TO EXPEDITE THE GOI DECISION.

4. EMBASSY BELIEVES SEMLER AND ASSOCIATES SECURED BETTER RESULTS THAN ORIGINALLY EXPECTED. WITH GOI ACTIVELY ENDEAVORING REDUCE ALL FOREIGN FIRM EQUITIES TO 40 PERCENT THE ABBOTT LABORATORY DELEGATION JUSTIFIABLY FEEL SATISFACTION THAT SENIOR GOI OFFICIALS HAVE ACQUIESCED TO CONSIDERING ABBOTT LABORATORY RETAINING A MAJORITY EQUITY.

5. EMBASSY AGAIN ASSURED SEMLER IT PREPARED EXTEND FULL SUPPORT AND COOPERATION TO ABBOTT LABORATORIES (INDIA) PRIVATE LTD. OFFICIALS WHO WILL FOLLOW UP NEGOTIATIONS LOCALLY. SEMLER MOST APPRECIATIVE OF SUPPORT EXTENDED AND PLEASED EMBASSY HAS MANAGED KEEP STATE TRADING CORPORATION (STC) DOOR AJAR FOR FURTHER NEGOTIATIONS REGARDING THE SALE OF ABBOTT LABORATORIES DRUG RAW MATERIALS TO ITS SUBSIDIARY. ABBOTT LABORATORIES WILL SEEK AVAIL ITSELF OF OPPORTUNITY TO DEVELOP BARTER TYPE TRANSACTION ACCEPTABLE TO STC (REPORTED REF C).

DECONTROL APRIL 2, 1974.
MOYNIHAN

LIMITED OFFICIAL USE

*** Current Handling Restrictions *** n/a

*** Current Classification *** LIMITED OFFICIAL USE

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts:
Control Number: n/a
Copy: SINGLE
Draft Date: 02 APR 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: elyme
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973NEWDE03720
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: n/a
Errors: n/a
Film Number: n/a
From: NEW DELHI
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730430/aaaahizu.tel
Line Count: 96
Locator: TEXT ON-LINE
Office: ACTION NEA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 73 STATE 52234, 73 NEW DELHI 3574, 73 NEW DELHI 3667
Review Action: RELEASED, APPROVED
Review Authority: elyme
Review Comment: n/a
Review Content Flags:
Review Date: 17 DEC 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <17-Dec-2001 by shawdg>; APPROVED <08-Jan-2002 by elyme>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> gwr 971114
Subject: VISIT BY VICE PRESIDENT, ABBOTT LABORATORIES
TAGS: ETRA, IN
To: BOMBAY
CALCUTTA
MADRAS
NEA
SECSTATE WASHDC
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

